

## **EXHIBIT A**

RESOLUTION 3-86-21

**APPROVING AN AMENDMENT TO THE PROJECT LABOR AGREEMENT FORM**

WHEREAS, the City of Two Harbors (“City”) has developed a form of Project Labor Agreement (“PLA”) to be entered into for any project where the City enters into a PLA; and

WHEREAS, the City desires to amend the form PLA to reflect that the City does not require workers join a union or pay union fees as a condition to working on a City project; and

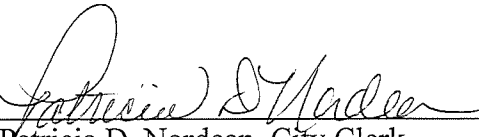
WHEREAS, the City Attorney has reviewed this matter and the proposed amended form PLA attached hereto as Exhibit A; and

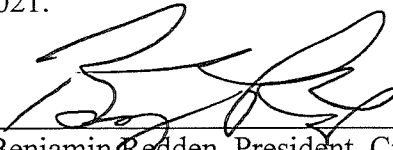
WHEREAS, the City Council has duly considered this matter and believes it to be in the best interests of the City of Two Harbors to approve the amended form PLA attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Two Harbors, Minnesota, as follows:

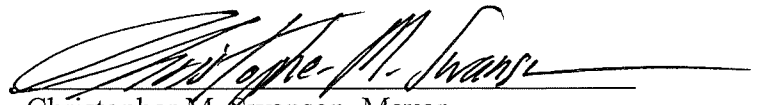
1. The form of the Project Labor Agreement attached hereto as Exhibit A is hereby approved.
2. City shall use the form of Project Labor Agreement, as amended by this Resolution, for any project where the City enters into a Project Labor Agreement.

ADOPTED, this 22<sup>nd</sup> day of March A.D., 2021.

ATTEST:   
Patricia D. Nordean, City Clerk

  
Benjamin Redden, President, City Council

APPROVED, by the Mayor of the City of Two Harbors this 23<sup>rd</sup> day of March, 2021.

  
Christopher M. Swanson, Mayor

## **Exhibit A**

# **PROJECT LABOR AGREEMENT**

## **ARTICLE I**

### **PURPOSE**

This AGREEMENT is entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by and by and between \_\_\_\_\_, its successors or assigns (hereinafter “Project Contractor”), the CITY OF TWO HARBORS ( hereinafter “Owner”) and the DULUTH BUILDING AND CONSTRUCTION TRADES COUNCIL, on behalf of its affiliated local unions, acting on their own behalf and on behalf of their respective affiliates and members whose names are subscribed hereto and who have, through their duly authorized officers, executed this Agreement, hereinafter collectively called the “Union or Unions,” with respect to the construction of \_\_\_\_\_, hereinafter “Project.”

The term “Contractor” shall include all construction contractors and subcontractors of whatever tier engaged in construction work within the scope of this Agreement, including the Project Contractor when it performs construction work within the scope of this Agreement. Where specific reference to \_\_\_\_\_ alone is intended, the term “Project Contractor” is used.

The parties recognize the need for the timely completion of the Project without interruption or delay. This Agreement is intended to establish a framework for labor-management cooperation and stability. The Contractor(s) and the Unions agree that the timely construction of this Project will require substantial numbers of employees from construction and supporting crafts possessing skills and qualifications that are vital to its completion. They will work together to furnish skilled, efficient workers for the construction of the Project.

The parties desire to mutually establish and stabilize wages, hours, and working conditions for the workers on the Project, to encourage close cooperation between the Contractor(s) and the Unions to the end that a satisfactory, continuous, and harmonious relationship will exist between the parties to this Agreement. The parties further desire to work together to provide opportunities for workers living in the 55616 zip code area to work on the Project.

Therefore, in recognition of the special needs of the Project, to maintain a spirit of harmony, labor-management peace, and stability during the term of this Agreement, and to endeavor to provide opportunities for workers living in the 55616 zip code area to work on the Project. Towards this end, at each pre-job conference held pursuant to Section 4 of Article VIII hereof the availability of qualified workers living in the 55616 zip code area and the desire of the Owner to employ such workers will be discussed. The parties agree to abide by the terms and conditions in this Agreement, and to establish effective and binding methods for the settlement of all misunderstandings, disputes or

grievances which may arise. Further, the Contractor(s) agree not to engage in any lockout, and the Unions agree not to engage in any strike, slow down, or interruption or other disruption of or interference with the work covered by this Agreement.

## **ARTICLE II**

### **SCOPE OF AGREEMENT**

Section 1. This Agreement shall apply and is limited to all construction work included in all bid categories for the Project under the direction of and performed by any Contractor(s) who have contracts awarded for such work on the Project. Such work shall include site preparation work. No pre-fabrication, fabrication, manufacturing or any other work performed at locations other than at the Project site is within the scope of this Agreement.

The Project is defined on Exhibit A attached hereto.

Section 2. It is agreed that the Project Contractor shall require any Contractor who has been awarded a contract for work on the Project to accept and be bound by the terms and conditions of this Agreement by executing the Agreement to be Bound attached hereto as Exhibit B ("Agreement to be Bound") prior to commencing work. This Agreement is a material term of the bid specifications for the Project and therefore, regardless of whether a Contractor executes this Agreement, by virtue of the Owner and/or Project Contractor accepting the bid offer of the Contractor, a Contractor who performs work on the Project is bound by this Agreement regardless of its execution of the Agreement to be Bound. The Project Contractor shall assure compliance with this Agreement by all Contractors. It is further agreed that, where there is a conflict, the terms and conditions of this Agreement shall supersede and override terms and conditions of any and all other national, area, or local collective bargaining agreements, except for all work performed under contracts with a union that is not a member of the Duluth Building and Trades Council, with the exception of Article V, VI and VII of this Agreement, which shall apply to such work.

Section 3. Nothing contained herein shall be construed to prohibit, restrict or interfere with the performance of any other operation, work, or function which may occur at the Project site or be associated with the development of the Project.

Section 4. This Agreement shall only be binding on the signatory parties hereto and shall not apply to their parents, affiliates, or subsidiaries.

Section 5. The Owner and/or Project Contractor have the absolute right to select any qualified bidder for the award of contracts on this Project without reference to the existence or nonexistence of any agreements between such bidder and any party to this Agreement; provided, however, that such bidder is willing, ready and able to become a party to the Agreement to be Bound and comply with this Agreement, should it be designated a successful bidder.

Section 6. As areas and systems of the Project are inspected and construction tested by the Project Contractor or Contractor(s) and accepted by the Owner, this Agreement will not have further force or effect on such items or areas, except when the Project Contractor or Contractor(s) are directed by the Owner to engage in repairs, modifications, check-out, and warranty functions required by its contract with the Owner during the term of this Agreement.

Section 7. It is understood that the Owner, at its sole option, may terminate, delay and/or suspend any or all portions of the Project at any time.

Section 8. It is understood that the liability of any employer and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does have the effect of creating any joint employer status between or among the Owner, Contractor(s) or any employer.

Section 9. The provisions of this Agreement shall apply to all craft employees represented by any Union listed in Exhibit C hereto attached (“Unions”) and shall not apply to other field personnel or managerial or supervisory employees as defined by the National Labor Relations Act. No Contractor is required to sign any other agreement as a condition of performing work on the Project. However, any Contractor performing work on the Project which is not party to a labor agreement with one of the Unions (“PLA Contractor”), agrees to install hourly wage rates, hours, fringe benefit contributions, referral procedures and all other terms of conditions of employment (i) as are provided in the labor agreements between the Unions and employers in effect on the date hereof (“Local Labor Agreements”), subject to Article XIII hereof, or (ii) as are provided in any applicable Davis-Bacon/prevaling wage rate statute, rule or regulation (city, state or federal), whichever provides the higher wage and benefits in the aggregate to workers on the Project, for each employee employed by such PLA Contractor for work on the Project. The required wage and benefit rates shall hereinafter be referred to as the “Project Labor Rates.” All employees covered by this Agreement shall be classified in accordance with the work performed. Nothing in this Agreement requires employees to join a union or pay dues or fees to a union as a condition of working on the covered project. This Agreement is not, however, intended to supersede independent requirements in applicable local union agreements as to contractors that are otherwise signatory to those agreements and as to employees of such employers performing covered work.

Section 10. The Contractor(s) agree to pay contributions to the established employee benefit funds in the amounts set forth in the Project Labor Rates for the applicable craft employees.

Contractors that are not signatory to a collective bargaining agreement (“PLA Contractor”) may select to participate in the legally established Industry Health Reimbursement Arrangement (“HRA”) plan, in lieu of contributing to the respective bona fide benefit funds set forth in the Project Labor Rates. The amount of the contribution is based on the difference between the contribution amount of the bona fide PLA

Contractors benefit funds set forth in the Project Labor Rates and the cost of the PLA Contractors' bona fide non-discretionary plans. Contributions must be made on behalf of named employees. Participating contractors will submit to the trustees of the HRA trust and plan a copy of their plan, summary plan description, and the premium structure for workers covered under the PLA Contractor(s') bona fide, non-discretionary plans. The value of the PLA Contractors' benefit plans are subject to confirmation by the trustees of the HRA trust and plan. This may include an independent audit, at the expense to the trustees, according to a policy established by the trustees. Contractor(s) are required to submit certified payroll reports to the trustees or authorized administrator in order to confirm compliance with the terms of the HRA trust and plan.

Contractor(s) adopt and agree to be bound by the written terms of the legally-established trust agreements (or in lieu thereof, the aforementioned HRA plan and trust including any policies) specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds. The Contractor(s) authorize the parties to such trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratify and accept the trustees so appointed as if made by the Contractor(s).

### **ARTICLE III**

#### **UNION RECOGNITION ~~AND UNION SECURITY~~**

Section 1. The Contractor(s) recognize the Unions as the sole and exclusive bargaining representatives of all craft employees who are members of the business within their respective jurisdictions working on the Project within the scope of this Agreement.

~~Section 2. All craft employees who are members of the Unions covered by this Agreement now in the employ of any Contractor shall remain members in good standing in their respective Unions during the term of the Agreement.~~

Section 23. Authorized representatives of the Unions shall have access to the Project, provided they do not interfere with the work of employees and further provided that such representatives comply fully with the posted visitor and security and safety rules of the Project.

### **ARTICLE IV**

#### **REFERRAL OR EMPLOYEES**

Workers for the various craft classifications covered by this Agreement required by any Contractor to perform work on the Project shall be referred to the Contractor in accordance with the hiring provisions in the Local Labor Agreement applicable to such craft. The Unions represent that they will administer and control their referrals and it is agreed that these referrals will be made in a non-discriminatory manner and in full compliance with Federal and State laws. Subject to the foregoing, the Unions and

Contractors will use their best efforts to provide employment to members of the Unions living within the 55616 zip code area.

## **ARTICLE V**

### **MANAGEMENT RIGHTS**

This Agreement shall be limited to work historically recognized as construction work. Nothing contained herein shall be construed to prohibit, restrict, or interfere with the performance of any other operation, work or function which may occur in or around the Project site or be associated with the development of the Project, or with the ongoing operations of the Owner. The Project Contractor retains full and exclusive authority for the management of the Project and all Contractors shall retain all existing rights of management and all rights conferred by law. Management rights including, but limited to, the hiring, promoting, laying off, suspending, disciplining, or discharging for cause, direction of work force, work schedules, and work practices are vested solely in management except as specifically and expressly limited by this Agreement and the Local Area Agreements.

## **ARTICLE VI**

### **WORK STOPPAGES AND LOCKOUTS**

Section 1. During the term of this Agreement, there shall be no strikes, picketing, work stoppages, slow downs or other disruptive activity for any reason by the Unions or by any employee, and there shall be no lockout by the Contractor(s). Failure of any Union or employee to cross any picket line established at the Project site is a violation of this Article.

Section 2. The Unions shall not sanction, aid, abet or encourage any work stoppage, work slow down, strike, picketing or other disruptive activity at the Project site and shall undertake all reasonable means to prevent or to terminate any such activity. No employee shall engage in activities which violate this Article. Any employee who participates in or encourages any activities which interfere with the normal operation of the Project shall be subject to disciplinary action, including discharge, and if justifiably discharged for the above reasons, shall not be eligible for rehire on the Project for a period of not less than thirty (30) days.

Section 3. The Unions shall not be liable for acts of employees for whom it has no responsibility. The international union general president or presidents will immediately instruct, order and use the best efforts of his/her office to cause the local union or unions to cease any violations of this Article. An international union complying with this obligation shall not be liable for unauthorized acts of its local union. The principal officer or officers of a local union will immediately instruct, order and use the best efforts of his/her office to cause the employees the local union represents to cease any violations of this Article. A local union complying with this obligation shall not be liable for

unauthorized acts of employees it represents. The failure of the Contractor(s) to exercise its right in any instance shall not be deemed a waiver of its right in any other instance.

Section 4. Any party alleging a breach of this Article shall have the right to petition a court for temporary and permanent injunctive relief. The moving party need not show the existence of irreparable harm, and shall be required to post bond only to secure payment of court costs and attorney fees as may be awarded by the Court.

## **ARTICLE VII**

### **DISPUTES AND GRIEVANCES**

Section 1. This Agreement is intended to provide close cooperation between management and labor. Each of the Unions will assign a representative to this Project for the purpose of completing the construction of the Project economically, efficiently, continuously, and without interruptions, delays, or work stoppages.

Section 2. The Contractor(s), Unions, and the employees, collectively and individually realize the importance to all parties to maintain continuous and uninterrupted performance of the work on the Project, and agree to resolve disputes in accordance with the grievance-arbitration provisions set forth in this Article.

Section 3. Any question or dispute arising out of and during the term of this Agreement (other than trade jurisdictional disputes) shall be considered a grievance and subject to resolution under the following procedures:

Step 1. (a) When an employee subject to the provisions of this Agreement feels he or she is aggrieved by a violation of this Agreement, he or she, through his or her local union business representative or job steward, shall, within ten (10) working days after the occurrence of the violation, or knowledge of the violation, give notice to the work-site representative of the involved Contractor stating the provision(s) of the existing Local Area Agreement and/or this Labor Agreement alleged to have been violated. The business representative of the local union or the job steward and the work-site representative of the involved Contractor and the Project Contractor shall meet and endeavor to adjust the matter within three (3) working days after timely notice has been given. The representative of the Contractor shall keep the meeting minutes and shall respond to the union representative in writing (copying the Project Contractor) at the conclusion of the meeting but not later than twenty-four (24) hours thereafter. If they fail to resolve the matter within the prescribed period, the grieving party may, within forty-eight (48) hours thereafter, pursue Step 2 of the grievance procedure, provided the grievance is reduced to writing, setting forth the relevant information concerning the alleged grievance, including a short description thereof, the date on which the grievance occurred, and the provision(s) of the existing Local Area Agreement and/or this Agreement alleged to have been violated.

(b) Should the local union(s) or the Project Contractor or any Contractor have a dispute with the other party and, if after conferring, a settlement is not reached within seven (7) working days, the dispute may be reduced to writing and proceed to Step 2 in the same manner as outlined herein for the adjustment of an employment complaint.

Step 2. The business manager or his or her designee of a local union and the involved Contractor shall meet within seven (7) working days of the referral of a dispute to this second step to arrive at a satisfactory settlement thereof. Meeting minutes shall be kept by the Contractor. If the parties fail to reach an agreement, the dispute may be appealed in writing in accordance with the provisions of Step 3 within seven (7) calendar days thereafter.

Step 3. (a) If the grievance has been submitted but not adjusted under Step 2, either party may request in writing, within seven (7) calendar days thereafter, that the grievance be submitted to an arbitrator mutually agreed upon by them. The Contractor and the involved Union shall attempt mutually to select an arbitrator, but if they are unable to do so, they shall request the federal mediation and conciliation service to provide them with a list of seven (7) neutral arbitrators from which the arbitrator shall be selected. The parties shall alternatively strike arbitrators from the list until one remains, who shall preside at the hearing. The party striking first shall be determined by the flip of a coin. The decision of the arbitrator shall be final and binding on all parties. The fee and expenses of such arbitration shall be borne equally by the Contractor and the involved local union(s).

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The arbitrator shall have the authority to make decisions only on issues presented to him or her, and he or she shall not have authority to change, amend, add to or detract from any of the provisions of this Agreement.

Section 4. The Project Contractor and Owner shall be notified of all actions at Step 2 and 3 and shall, upon their request, be permitted to participate in all proceedings at these steps. Owner shall have the right but not the obligation to participate in any proceedings conducted under this Article VII.

## **ARTICLE VIII**

### **JURISDICTIONAL DISPUTES**

Section 1. The assignment of work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the settlement of jurisdictional disputes in the construction industry (the "Plan") or any successor Plan.

Section 2. All jurisdictional disputes on this Project, between or among the Unions and Contractors shall be settled and adjusted according to the present Plan established by the building and construction trades department or any other plan or method of procedure that may be adopted in the future by the buildings and construction trades department. Decisions rendered shall be final, binding and conclusive on the Contractors and Unions.

Section 3. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow down of any nature, and the Contractor's assignment shall be adhered to until the dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 4. Each Contractor will attend a pre-job conference with the appropriate Union prior to commencing work. The Project Contractor and the Owner will be advised in advance of all such conferences and may participate if they wish. At each pre-job conference the availability of qualified workers living in the 55616 zip code area and the desire of the Owner to employ such workers will be discussed. Owner shall have the right but not the obligation to participate in any proceeding conducted under this Article VIII.

## **ARTICLE IX**

### **SUBCONTRACTING**

The Project Contractor agrees that neither it nor any of its contractors or subcontractors will subcontract any work to be done on the Project except to a person, firm or corporation who is or agrees to become party to this Agreement by executing the Agreement to be Bound. Any contractor or subcontractor working on the Project shall, as a condition to working on said Project, sign the Agreement to be Bound and perform all work under the terms of this Agreement.

## **ARTICLE X**

### **HELMETS TO HARDHATS**

Section 1. The Contractors and Unions recognize a desire to facilitate the entry into the building and construction trades of veterans who are interested in careers in the building and construction industry. The Contractors and Unions agree to utilize the services of the center for military recruitment, assessment and veterans employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

Section 2. The Unions and Contractors agree to coordinate with the Center to create and maintain an integrated database of veterans interested in working on this Project and of apprenticeship and employment opportunities for this Project. To the extent permitted

by law, the Unions will give credit to such veterans for bona fide, provable past experience.

## **ARTICLE XI**

### **LABOR HARMONY CLAUSE**

The Project Contractor shall furnish labor that can work in harmony with all other elements of labor employed on the Project and shall submit a labor harmony plan to demonstrate how this will be done. "Harmony" shall include the provision of labor that will not, either directly or indirectly, cause or give rise to any work disruptions, slow downs, picketing, stoppages, or any violence or harm to any person or property while performing any work, or activities incidental thereto at the Project. The labor harmony plan should include the Project Contractor's labor management policies, collective bargaining agreements if any and their expiration dates, past labor relations history, a listing of activities anticipated under this Agreement that may potentially cause friction with on-site workers, and procedures the Project Contractor will undertake to eliminate this friction.

The Project Contractor agrees that it shall require every Contractor to provide labor that will work in harmony with all other elements of labor employed in the Project, and will include the provisions contained in the paragraph above, in every subcontract let for work under this Agreement.

The requirement to provide labor that can work in harmony with all other elements of labor employed in the Project through Project completion is a material element of this Agreement. Failure by the Project Contractor or any of Contractors to comply with this requirement shall be deemed a material breach of the Agreement which will subject the Project Contractor to all rights and remedies the Owner may have, including without limitation the right to terminate the Agreement.

## **ARTICLE XII**

### **NO DISCRIMINATION**

Section 1. The Contractors and Unions agree that they will not discriminate against any employee or applicant for employment because of his or her membership or non-membership in a Union or based upon race, color, religion, sex, national origin or age in any manner prohibited by law or regulation.

Section 2. Any complaints regarding application of the provisions of Section 1, should be brought to the immediate attention of the involved Contractor for consideration and resolution.

Section 3. The use of the masculine or feminine gender in this Agreement shall be construed as including both genders.

### **ARTICLE XIII**

#### **SAVINGS AND SEPARABILITY**

It is not the intention of the parties to violate any laws governing the subject matter of this Agreement. The parties hereto agree that in the event any provisions of the Agreement are finally held or determined to be illegal or void as being in contravention of any applicable law, the remainder of the Agreement shall remain in full force and effect unless the part or parts so found to be void are wholly inseparable from the remaining portions of this Agreement. Further, the Contractors and Unions agree that if and when any and all provisions of this Agreement are finally held or determined to be illegal or void by a Court of competent jurisdiction, the parties will promptly enter into negotiations concerning the substance affected by such decision for the purpose of achieving conformity with the requirements of an applicable law and the intent of the parties hereto.

### **ARTICLE XIV**

#### **DURATION OF THE AGREEMENT**

This Agreement shall be effective \_\_\_\_\_ and shall continue in effect for the duration of work on the Project described in Section 1 of Article II hereof. Construction of any phase, portion, section or segment of the Project shall be deemed complete when such phase, portion, section or segment has been turned over to the Owner and has received the final acceptance from the Owner's representative.

Since there are provisions herein for no strikes or lockouts, in the event any changes are negotiated and implemented under an existing Local Area Agreement during the term of this Agreement, the Contractors agree that, except as specified herein, such changes shall be recognized and shall apply retroactively to the termination date in the particular existing Local Labor Agreement involved subject to the provisions of Section 9 of Article II hereof. Each Contractor which has an existing Local Labor Agreement with a Union at the time that its contract at the Project commences shall continue it in effect with each said Union so long as the Contractor remains on the Project. In the event any such existing Local Labor Agreement expires, the Contractor shall abide by all of the terms of the expired existing Local Labor Agreement until agreement is reached on a new Local Labor Agreement, with any changes being subject to the provisions of this Agreement.

The Union(s) agree(s) that there will be no strikes, work stoppages, sympathy actions, picketing, slow downs, or other disruptive activity affecting the Project by any Union involved in the negotiation of a Local Labor Agreement nor shall there be any lockout on this Project affecting the union during the course of such negotiations.

The parties hereto acknowledge and agree that Owner shall have the right, but not the obligation to enforce, any terms and provisions of this Agreement, and that Owner desires that any issues between the Contractor(s) and Union(s) be resolved without the involvement of the Owner.

IN WITNESS WHEREOF, the parties have entered into this Agreement to be effective as of the day and year written above.

OWNER

ATTEST

By \_\_\_\_\_  
Its Mayor

By \_\_\_\_\_  
Its City Administrator

And by \_\_\_\_\_  
Its City Clerk

PROJECT CONTRACTOR

DULUTH BUILDING &  
CONSTRUCTION TRADES  
COUNCIL

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_

**EXHIBIT A**  
**PROJECT DESCRIPTION**

## **EXHIBIT B**

To the Project Labor Agreement between and among:

- A. The City of Two Harbors (hereinafter “Owner”)
- B. The Duluth Building and Construction Trades Council (hereinafter “Council”), on its own behalf and on behalf of each of its affiliated local unions listed on Exhibit C attached to the Project Labor Agreement (“Unions”).
- C. \_\_\_\_\_ (hereinafter “Project Contractor”), and
- D. Each signatory subcontractor of any tier (“Contractor”).

## **AGREEMENT TO BE BOUND**

The undersigned, a Contractor performing construction work as a Subcontractor to Project Contractor, or a lower-tier subcontractor to one or more Subcontractors on the Project, for and in consideration of the award to it of a contract to perform work on said Project and in further consideration of the mutual promises made in the Project Labor Agreement for the Project (hereinafter “Agreement”), a copy of which was received and is acknowledged, hereby:

- 1. Accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made to said Agreement.
- 2. Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of the Agreement.
- 3. Agrees to cause any of its subcontractors on the Project and all of their subcontractors at any tier to execute this Agreement to be Bound and to be bound to the Agreement.

Dated: \_\_\_\_\_, 200\_\_

\_\_\_\_\_  
(print name of company)

\_\_\_\_\_  
(Company Address)

\_\_\_\_\_  
(Phone No. Job Site and/or Office)

\_\_\_\_\_  
(Fax No.)

By:

\_\_\_\_\_

Title:

\_\_\_\_\_

Employer is a subcontractor to:

\_\_\_\_\_  
(Project Contractor or name of higher-tier Subcontractor)

EXHIBIT C

A-1	Asbestos Workers Local 49
A-2	Boilermakers Local 647
A-3	BAC Local 1 Chapter 3 Duluth & Iron Range
A-4	Carpenters Local 361
A-5	Cements Masons/Plasterers Local 633
A-6	Elevator Constructors Local 9
A-7	IBEW Local 242
A-8	Iron Workers Local 512
A-9	Laborers Local 1091
A-10	Millrights & Machinery Erectors Local 1348
A-11	Operating Engineers Local 49
A-12	Painters & Allied Trades Local 106
A-13	Plumbers & Fitters Local 11
A-14	Roofers Local 96
A-15	Sheet Metal Workers Local 10
A-16	Sprinkler Fitters Local 669
A-17	Teamsters Local 346

**TWO HARBORS CITY CODE**  
**SECTION 2.75**

**SEC. 2.75 WAGE RATES AND HOURS FOR CITY PROJECTS.**

**Subd. 1. Definitions.** The following terms, as used in this Section, shall have the meanings stated:

1. **“Basic Hourly Rate”** – The hourly rate paid to any employee.
2. **“Prevailing Wage Rate”** – The basic hourly rate plus fringe benefits prevailing in the County of Lake, as determined by the Minnesota Department of Labor and Industry; provided that whenever employer and employee organizations employing and representing a majority of a class of workers in a particular industry within the City jointly certify that the prevailing basic hourly rate plus fringe benefits of such workers differs from the amount determined by the Secretary of Labor, the certified rate shall be considered to be the prevailing wage rate for such class of workers in that industry.
3. **“Fringe Benefits”** – Employer contribution for health and welfare benefits, vacation benefits, pension benefits, and all other economic benefits other than the basic hourly rate.
4. **“Apprentice Trainee”** – An employee who is working under a training program which is approved either by the U.S. Department of Labor Bureau of Apprenticeship and Training or the Minnesota Director of Voluntary Apprenticeship.
5. **“Project”** – Erection, construction, demolition, remodeling or repairing of any public building, highway, sidewalk, bridge, water or gas line, sewer and sewage treatment facility or other public work performed under contract with the City.
6. **“Laborer, Mechanic”** – All persons utilized, employed or working on a project who are doing work usually done by mechanics and laborers, including proprietors, partners, and members of cooperatives.

**Subd. 2. Wage Rates and Hours for City Projects.**

A. Any contract which provides for a project of estimated total cost of over \$25,000.00 shall contain a stipulation that no laborer, mechanic or apprentice-trainee employed directly upon the project work site by the contractor or any subcontractor shall be permitted or required to work at a rate of pay less than the prevailing wage rate; nor shall any such employee be permitted or required to work more than 8 hours in a work day or 40 hours in any work week unless he is paid at a rate of at least 1-1/2 times the basic hourly rate for all hours in excess of 8 per day or 40 per week and unless he received fringe benefits that are at least equal to those in the prevailing wage rate; provided that whenever employer and employee organizations employing and representing a majority of a class of workers in a particular industry within the City

jointly certify that the maximum number of hours that such persons may work under existing labor agreements before overtime wages must be paid differs from the hours specified in this Subdivision, the maximum number of hours specified in such labor agreements shall be substituted for those specified above in applying the provisions of this Subdivision to such workers.

**B.** All contracts for City projects shall have applicable schedules of prevailing wage rates set forth in the contract. Schedules of applicable prevailing wage rates shall be present on all project job sites and shall either be posted on the site or be on the person of any supervisor in charge of the job site.

**C.** Employees on the projects shall be paid at least weekly. Fringe benefits shall be paid either in cash or to an employee benefit plan that has been approved by the U.S. Department of Labor.

**D.** Any contractor or subcontractor working on a project shall furnish the City with a copy of all payrolls relating to the project. Such payroll reports shall be submitted weekly on U.S. Department of Labor standard forms or their equivalent to the employee of the City in charge of supervising contract performance.

**E.** No contractor or subcontractor working on a project shall evade or attempt to evade the provisions of this Section through the use of non-recognized training programs. The only employees involved in training programs that shall be allowed to work on projects covered by this Section shall be apprentice-trainees as defined by this Section.

**F.** Any person violating the provisions of this Section shall be guilty of a misdemeanor with each day of violation constituting a separate offense. In addition, if the prevailing wage rate is not paid to employees working on a project, the City may withhold contract payments to the contractor until such deficiencies are corrected.

**G.** This Section shall not apply to contracts for projects where the total estimated cost of the project is less than \$15,000.00; nor to material men who do not more than deliver materials to the work site, except that this Section shall apply to employees who deliver asphalt, concrete or mineral aggregate such as sand, gravel or stone where such material is incorporated into the project by depositing the material substantially in place, either directly or through spreaders, from the transporting vehicle.

**Subd. 3. Kickbacks from Public Works Employees Prohibited.** It is unlawful for any contractor working on a project or other person to, by force, intimidation, or threat of termination of employment, cause any employee working on a project to give up any part of the compensation to which he/she is entitled under his/her contract of employment.